

**ND TEACHERS FUND FOR RETIREMENT
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2003**

	July-03				Current	Prior Year	3 Years	5 Years
	Allocation		Month		Fiscal YTD	FY03	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2003 Net	6/30/2003 Net
LARGE CAP DOMESTIC EQUITY								
<i>Structured Growth</i>								
AllianceBernstein	26,332,951	2.2%	2.3%	3.53%	3.53%	-1.48%	-20.46%	-5.64%
<i>Russell 1000 Growth</i>				2.49%	2.49%	2.93%	-21.55%	-5.04%
<i>Structured Value</i>								
LSV	55,342,548	4.7%	4.5%	1.21%	1.21%	-2.05%	9.06%	3.95%
<i>Russell 1000 Value</i>				1.49%	1.49%	-1.02%	-2.19%	-0.17%
<i>Enhanced Russell 1000 Index</i>								
LA Capital (Wilshire)	54,117,228	4.6%	4.5%	1.61%	1.61%	1.08%	N/A	N/A
<i>Russell 1000</i>				1.99%	1.99%	0.96%	N/A	N/A
<i>Enhanced S&P 500 Index</i>								
Northern Trust	51,181,066	4.3%	4.5%	1.73%	1.73%	0.28%	N/A	N/A
Strong	52,234,243	4.4%	4.5%	1.28%	1.28%	3.30%	N/A	N/A
Westridge	58,263,005	4.9%	4.5%	1.77%	1.77%	0.56%	N/A	N/A
Total Enhanced S&P 500 Index	161,678,314	13.7%	13.5%	1.60%	1.60%	1.35%	N/A	N/A
<i>S&P 500</i>				1.76%	1.76%	0.24%	N/A	N/A
<i>S&P 500 Index</i>								
State Street	63,414,631	5.4%	5.3%	1.77%	1.77%	0.31%	-11.14%	-1.58%
<i>S&P 500</i>				1.76%	1.76%	0.24%	-11.20%	-1.61%
TOTAL LARGE CAP DOMESTIC EQUITY	360,885,671	30.5%	30.0%	1.71%	1.71%	0.49%	-9.68%	-2.32%
<i>S&P 500</i>				1.76%	1.76%	0.24%	-11.20%	-1.61%
SMALL CAP DOMESTIC EQUITY								
<i>Manager-of-Managers</i>								
SEI	128,912,989	10.9%	10.0%	6.11%	6.11%	0.68%	N/A	N/A
<i>Russell 2000 + 200bp</i>				6.43%	6.43%	0.37%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	128,912,989	10.9%	10.0%	6.11%	6.11%	0.68%	-3.37%	-0.65%
<i>Russell 2000</i>				6.26%	6.26%	-1.64%	-3.30%	0.97%
INTERNATIONAL EQUITY								
<i>Large Cap - Core</i>								
State Street	48,309,018	4.1%	4.0%	2.87%	2.87%	-9.96%	-13.28%	-4.72%
<i>MSCI EAFE - 50% Hedged</i>				3.28%	3.28%	-11.24%	-14.65%	-4.18%
<i>Large Cap - Active</i>								
Capital Guardian	117,627,835	9.9%	10.0%	4.37%	4.37%	-11.30%	-14.96%	0.47%
Bank of Ireland	22,681,221	1.9%	2.0%	0.97%	0.97%	-10.28%	N/A	N/A
Total Large Cap - Active	140,309,056	11.9%	12.0%	3.81%	3.81%	-11.12%	-14.58%	0.74%
<i>MSCI EAFE - 50% Hedged</i>				3.28%	3.28%	-11.24%	-14.65%	-4.18%
<i>Small Cap - Active</i>								
Lazard	25,142,888	2.1%	2.0%	2.04%	2.04%	-2.32%	N/A	N/A
Wellington	24,744,521	2.1%	2.0%	4.63%	4.63%	5.97%	N/A	N/A
Total Small Cap - Active	49,887,410	4.2%	4.0%	3.36%	3.36%	1.75%	N/A	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				3.20%	3.20%	3.91%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	238,505,483	20.2%	20.0%	3.52%	3.52%	-8.22%	-12.63%	-0.99%
<i>MSCI EAFE - 50% Hedged</i>				3.28%	3.28%	-11.24%	-14.65%	-4.18%
EMERGING MARKETS EQUITY								
Capital Guardian	65,519,495	5.5%	5.0%	5.63%	5.63%	7.15%	-10.61%	1.62%
<i>MSCI Emerging Markets Free</i>				6.26%	6.26%	6.96%	-7.07%	2.49%
DOMESTIC FIXED INCOME								
<i>Core Bond</i>								
Western Asset	8,057,410	0.7%	0.9%	-4.59%	-4.59%	13.42%	11.88%	8.58%
<i>Lehman Aggregate</i>				-3.36%	-3.36%	10.39%	10.07%	7.54%
<i>Active Duration</i>								
WestAM (Criterion)	8,042,180	0.7%	0.9%	-3.70%	-3.70%	9.93%	9.39%	6.85%
<i>Lehman Aggregate</i>				-3.36%	-3.36%	10.39%	10.07%	7.54%
<i>Index</i>								
Bank of ND	13,246,644	1.1%	1.0%	-4.32%	-4.32%	12.59%	11.06%	7.79%
Bank of ND Match Loan CD Program	8,850,842	0.7%	0.7%	0.48%	0.48%	5.83%	5.84%	5.85%
Total Index	22,097,486	1.9%	1.8%	-3.18%	-3.18%	10.77%	10.08%	7.44%
<i>Lehman Gov/Credit</i>				-4.19%	-4.19%	13.15%	10.82%	7.83%

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	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2003 Net	6/30/2003 Net
Convertibles								
TCW	9,268,432	0.8%	0.9%	1.25%	1.25%	10.37%	-9.08%	N/A
<i>First Boston Convertible Index</i>				0.45%	0.45%	15.35%	-3.81%	N/A
BBB Average Quality								
Strong	8,311,464	0.7%	0.9%	-4.58%	-4.58%	14.81%	10.35%	N/A
<i>Lehman BBB</i>				-4.49%	-4.49%	18.33%	9.91%	N/A
Timberland								
Evergreen (Wachovia)	17,376,309	1.5%	1.5%	-0.05%	-0.05%	12.50%	N/A	N/A
							N/A	N/A
TOTAL DOMESTIC FIXED INCOME	73,153,280	6.2%	7.0%	-2.24%	-2.24%	11.62%	6.95%	6.77%
<i>Lehman Aggregate</i>				-3.36%	-3.36%	10.39%	10.07%	7.54%
HIGH YIELD BONDS								
Western Asset	77,244,994	6.5%	7.0%	-1.79%	-1.79%	20.04%	2.51%	4.15%
<i>Lehman High Yield Bond Index</i>				-1.10%	-1.10%	22.77%	5.44%	2.66%
INTERNATIONAL FIXED INCOME								
International Sovereign								
UBS Global (Brinson)	26,089,365	2.2%	2.5%	-2.51%	-2.51%	18.20%	8.47%	5.93%
<i>Citigroup Non-US Gov't Bond Index (1)</i>				-2.59%	-2.59%	17.91%	8.10%	6.29%
International Core								
Brandywine	25,904,912	2.2%	2.5%	-2.49%	-2.49%	N/A	N/A	N/A
<i>Lehman Global Aggregate (ex-US)</i>				-2.59%	-2.59%	N/A	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	51,994,277	4.4%	5.0%	-2.49%	-2.49%	17.83%	8.36%	5.86%
<i>Citigroup Non-US Gov't Bond Index (1)</i>				-2.59%	-2.59%	17.91%	8.10%	6.29%
REAL ESTATE								
JMB	37,739			0.00%	0.00%	-18.62%	-5.76%	0.42%
INVESCO	61,326,479			-0.02%	-0.02%	8.15%	8.00%	7.69%
J.P. Morgan	48,400,921			0.46%	0.46%	7.80%	7.36%	10.23%
TOTAL REAL ESTATE	109,765,138	9.3%	9.0%	0.21%	0.21%	7.97%	7.69%	9.00%
<i>NCREIF TOTAL INDEX</i>				0.69%	0.69%	7.42%	8.44%	10.11%
ALTERNATIVE INVESTMENTS								
Brinson IVCF III	1,145,249			0.00%	0.00%	-16.94%	3.23%	52.67%
Coral Partners V	10,200,368			0.00%	0.00%	-22.52%	-20.83%	-9.87%
Coral Partners V - Supplemental	530,649			0.00%	0.00%	-28.36%	N/A	N/A
Coral Partners VI	1,660,339			0.00%	0.00%	N/A	N/A	N/A
Brinson 1998 Partnership Fund	1,788,791			0.00%	0.00%	-14.73%	-11.35%	1.31%
Brinson 1999 Partnership Fund	2,277,566			0.00%	0.00%	-16.31%	-14.42%	N/A
Brinson 2000 Partnership Fund	3,673,198			0.00%	0.00%	-13.99%	-9.08%	N/A
Brinson 2001 Partnership Fund	1,267,305			0.00%	0.00%	-5.98%	N/A	N/A
Brinson 2002 Partnership Fund	767,523			0.00%	0.00%	9.08%	N/A	N/A
Brinson 2003 Partnership Fund	86,469			0.00%	0.00%	N/A	N/A	N/A
Total Brinson Partnership Funds	9,860,854			0.00%	0.00%	-7.69%	N/A	N/A
Brinson 1999 Non-US Partnership Fund	1,245,411			0.00%	0.00%	13.12%	2.21%	N/A
Brinson 2000 Non-US Partnership Fund	1,200,037			0.00%	0.00%	9.50%	-1.63%	N/A
Brinson 2001 Non-US Partnership Fund	787,228			0.00%	0.00%	-0.41%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	1,129,005			0.00%	0.00%	5.34%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	76,199			0.00%	0.00%	N/A	N/A	N/A
Total Brinson Non-US Partnership Fund	4,437,880			0.00%	0.00%	7.71%	N/A	N/A
Brinson BVCF IV	6,146,627			0.00%	0.00%	-14.64%	-18.80%	N/A
Matlin Patterson Global Opportunities	12,495,847			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	819,568			0.00%	0.00%	-12.50%	N/A	N/A
Hearthstone	3,145,322			0.00%	0.00%	28.98%	13.57%	N/A
TOTAL ALTERNATIVE INVESTMENTS (2)	50,442,702	4.3%	5.0%	0.00%	0.00%	-9.74%	-10.93%	4.40%
<i>Post Venture Capital Index</i>				7.10%	7.10%	19.78%	-29.84%	-8.37%
CASH EQUIVALENTS								
Northern Trust STIF/STEP	26,459,666	2.2%	2.0%	0.11%	0.11%	1.84%	3.33%	4.22%
<i>90 Day T-Bill</i>				0.07%	0.07%	1.52%	3.33%	4.07%
TOTAL FUND	1,182,883,696	100.00%	100.00%	1.81%	1.81%	2.28%	-4.66%	1.45%
POLICY TARGET BENCHMARK				2.10%	2.10%	3.11%	-5.70%	1.28%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.